



SOUTHEAST IDAHO

BANNOCK, BEAR LAKE, BINGHAM, CARIBOU, FRANKLIN, ONEIDA, & POWER COUNTIES

EMPLOYMENT TRENDS

The Pocatello Metropolitan Statistical Area's (MSA) seasonally adjusted unemployment rate decreased one-tenth of a percentage point in September 2004 to 4.7 percent from the August 2004 rate of 4.8 percent as shown in Southeast Idaho Table 1. In September 2003, the MSA's unemployment rate was 5.1 percent and it has fallen four-tenths of a percentage point over the year. Increased construction activity and the addition of retail and service sector jobs caused the rate reduction between September 2003 and September 2004.

The MSA's unemployment rate remained below Idaho's rate of 5.0 percent and below the U.S. rate of 5.4 percent.

Nonfarm Payroll Jobs increased by 1,480 in September 2004 over August 2004. Job gains brought total *Nonfarm Payroll Jobs* to 34,270 in September 2004 over the 32,790 recorded in August 2004. The increase was because schools returned to full capacity when the fall semester began. *Government Education* led job gains with an increase of 1,790 jobs. Some of the jobs gained in *Government Education* were partially offset by jobs lost in *Manufacturing* (-40), *Professional & Business Services* (-90), and *Government Administration* (-150). The jobs losses were typical seasonal losses in temporary staffing agencies, and summer recreation and maintenance jobs.

SPECIAL TOPIC: Construction Activity

In June, Southeast Idaho construction reached \$12,473,855. The June 2004 total exceeded the June 2003 total by \$2,950,246, an increase of 31 percent. Half of the reporting areas showed increased construction activity in June 2004 while half fell below the June 2003 total. The Southeast Idaho area kept pace with construction activity statewide. In comparison, Idaho's construction activity increased 32.7 percent in June 2003 over June 2004. While Southeast Idaho's residential construction increased 47.3 percent, Idaho's residential construction increased 44.6 percent.

Mid-year (January through June) area construction fell 27.2 percent from 2001 to 2002, increased 51.3 percent from 2002 to

Southeast Idaho Table 1: Labor Force & Employment
Pocatello City MSA (Bannock County)

	Sep 2004	Aug 2004	Sep 2003	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	41,510	40,640	41,050	2.1	1.1
Unemployment	1,940	1,960	2,110	-1.0	-8.1
% of Labor Force Unemployed	4.7	4.8	5.1		
Total Employment	39,570	38,680	38,940	2.3	1.6
<i>Unadjusted</i>					
Civilian Labor Force	40,950	39,760	40,490	3.0	1.1
Unemployment	1,650	1,860	1,790	-11.3	-7.8
% of Labor Force Unemployed	4.0	4.7	4.4		
Total Employment	39,300	37,900	38,700	3.7	1.6
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs** - NAICS	34,270	32,790	33,960	4.5	0.9
<i>Goods-Producing Industries</i>	4,120	4,180	4,190	-1.4	-1.7
Natural Resources & Mining	10	10	10	0.0	0.0
Construction	1,660	1,680	1,650	-1.2	0.6
Manufacturing	2,450	2,490	2,530	-1.6	-3.2
Food Manufacturing	460	460	410	0.0	12.2
Fabricated Metal Product Manufacturing	120	120	110	0.0	9.1
Machinery Manufacturing	30	30	30	0.0	0.0
Other Manufacturing	1,840	1,880	1,980	-2.1	-7.1
<i>Service-Providing Industries</i>	30,150	28,610	29,770	5.4	1.3
Trade, Transportation & Utilities	7,060	7,060	6,730	0.0	4.9
Wholesale Trade	1,100	1,100	1,000	0.0	10.0
Retail Trade	4,640	4,600	4,450	0.9	4.3
Utilities	40	40	40	0.0	0.0
Transportation & Warehousing	1,280	1,320	1,240	-3.0	3.2
Information	660	660	590	0.0	11.9
Financial Activities	1,740	1,710	1,900	1.8	-8.4
Professional & Business Services	3,640	3,730	3,600	-2.4	1.1
Educational & Health Services	2,660	2,650	2,760	0.4	-3.6
Leisure & Hospitality	3,370	3,410	3,430	-1.2	-1.7
Other Services	870	880	940	-1.1	-7.4
Government Education	5,690	3,900	5,380	45.9	5.8
Government Administration	4,470	4,620	4,450	-3.2	0.4

*Preliminary Estimate

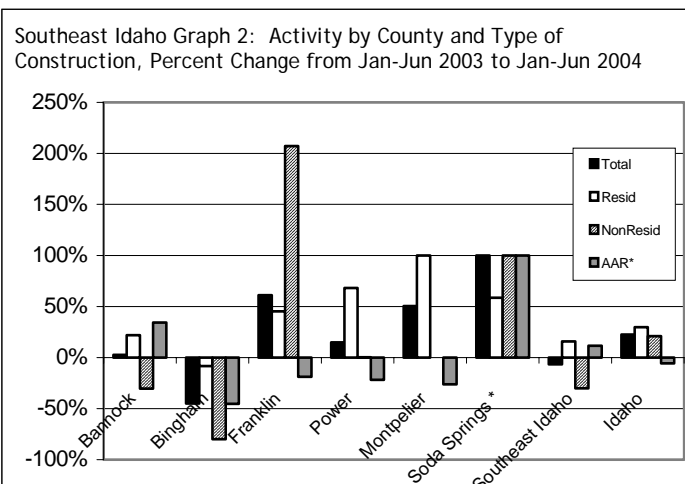
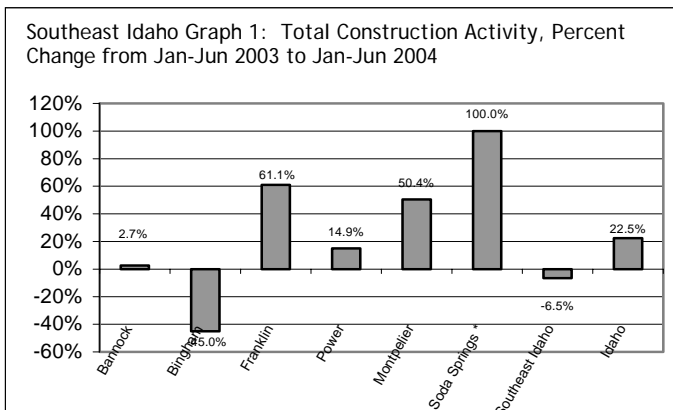
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

2003, and then fell 6.5 percent from 2003 to 2004 as shown in Southeast Table 2 on page 16. In 2003, Southeast Idaho outpaced Idaho's mid-year construction growth when Idaho's construction activity increased only 12 percent, but fell behind in the first six months of 2004 as Idaho gained 22.5 percent. With new construction projects started since June, Southeast Idaho construction should close the gap or keep pace with Idaho's construction activity through the end of 2004. In Southeast Table 2, the large percentage increase in Soda Springs' construction is a dollar value of over \$3.5 million in 2004 because of the construction of a new jail.

Southeast Idaho construction got off to a slow start in the first half of the year. Southeast Idaho Graph 1 on page 16 shows the percentage change in construction activity between 2003 and 2004. Mid-year construction activity

(January through June 2004) totaled \$64,397,287, slightly below the mid-year mark for 2003 when it was \$68,853,674 (-6.5 percent). While construction activity in Southeast Idaho fell in the first six months of 2004, construction activity increased for the State of Idaho by 22.5 percent. Each reporting area in Southeast Idaho showed increased construction activity except Bingham County. The large decrease in Bingham County's construction pulled the entire area into a deficit. The reason Bingham County showed such a dramatic decrease is because the county had an unusually high level of nonresidential construction in the first half of 2003, which led to an unusually large rate of decline from 2003 to 2004.

County/Area	Percent Change		
	2001-2002	2002-2003	2003-2004
Bannock	-29.1%	62.1%	-2.7%
Bingham	30.9%	66.4%	-45.0%
Franklin	17.0%	-13.8%	61.1%
Power	-86.2%	28.1%	14.9%
Montpelier	-83.0%	-25.7%	-50.4%
Soda Springs	-59.1%	-23.6%	2233.5%
Area total	-27.2%	51.3%	-6.5%
Idaho	-7.7%	12.0%	22.5%



* AAR—Additions, Alterations and Repairs

Southeast Idaho Graph 2 shows construction activity changes by county and type of construction. In Southeast Idaho, Residential Construction led 2004 construction activity in both value and rate of change. Residential construction totaled more than \$38 million, an increase of 15.8 percent over 2003 when it totaled nearly \$33 million. Non-residential construction totaled just over \$20 million, a decrease of 30.2 percent from 2003 when it totaled nearly \$29 million. Additions, Alterations and Repairs totaled nearly \$8 million, an increase of 11.7 percent over 2003 when it totaled just over \$7 million.

Bannock County's residential construction increased nearly \$4 million in the first half of 2004, 21.9 percent over the first half of 2003. Additions, Alterations, and Repairs also increased by more than \$1.5 million in 2004 over 2003. The gains in these sectors were outpaced by the decline of nearly \$5 million in nonresidential construction. Nonresidential construction fell 30.4 percent in the first half of 2004 from the first half of 2003.

Bingham County experienced large decreases in all construction categories for the first half of 2004 from the first half of 2003, for a total decrease of more than \$10 million. The decrease between the first half of the two years being compared is mainly because of the high level of construction activity in the county in 2003.

Franklin County construction activity during the first six months of 2004 was very strong. The county gained just over \$3 million in construction activity in the first half of 2004 over the first half of 2003. Residential and nonresidential construction both experienced gains of around \$1.6 million but those gains were partially offset by a decrease of nearly \$140,000 in *Additions, Alterations, and Repairs*.

Power County logged a 14.9 percent increase in construction between the first six months of 2004 over 2003. The increase was mainly in residential construction, which increased by more than 68 percent and totaled nearly \$1.4 million. Nonresidential construction fell two-tenths of a percentage point between 2003 and 2004, but came in strong at nearly \$770,000 for the first six months of 2004.

Montpelier's construction activity fell by nearly \$100,000 in the first half of 2004 from the first half of 2003. Two categories: residential construction and additions, alterations, and repairs fell from the 2003 level by \$65,000 and nearly \$35,000, respectively. There were no nonresidential construction permits issued for the first six months of both years.

Soda Springs' construction activity during the first half of 2003 was impressive in all three categories. Total construction gained more than \$3.5 million in the first six months of 2004 over the first six months of 2003. The gain was mainly because of the construction of a new jail in Soda Springs.

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